State Of Montana

Agency Biennial Report

Montana State Fund

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INFORMATION TECHNOLOGY SERVICES DIVISION

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EXECUTIVE SUMMARY

The strategic focus for Montana State Fund over the last several years has been customer service, workforce development and appropriate infrastructure. IT goals to help Montana State Fund fulfill its strategic plan include improving and extending efficient insurance functionality and features and developing IT employee insurance business and technical skills. A number of insurance projects with an IT component were mandated by the Montana State Fund Board of Directors or Executive Planning Committee the last two years to support the strategic focus.

Four initiatives are complete and one is in progress. Four initiatives were included in the 2008 plan as potential future strategic projects. To date they have not been included in Montana State Fund's strategic planning.

Overall benefits realized by customers:

- o Extended claim processing functionality for improved policyholder and injured employee service.

- o Improved communication through reduced volume and simplified language on claim and policy documents sent to policyholders, injured employees, vendors and insurance agents.

- o Meaningful, timely, complete and trusted business information provided through internal Insurance Intelligence reporting application.

- o Complete, accurate, compliant and timely financial statements that fairly represent the financial position of MSF and the Old Fund.

- o An appropriate and flexible data center and telecom design to support MSF's current and future business needs.

1.1 Goals

Goal Number 1: (taken from 2008 plan and 2009 update)

ITG 1 Improve and Extend Efficient Insurance Functionality and Features

Description: Insurance requires a highly specific and unique mix of IT software and services. MSF will invest IT resources on appropriate projects as prioritized by the Board of Directors and MSF Governance Committees for market, service and operating efficiency.

Benefits: MSF customers receive requested and prioritized system maintenance and enhancement requests/projects in a timely manner. With improved functionality, MSF employees provide more efficient and effective service to MSF stakeholders.

Does this goal support the State IT Strategic Plan? Yes. Efficient MSF insurance functionality helps Montana businesses create quality jobs for their employees as MSF successfully fulfills its role in creating a stable insurance market and helps improve workplace safety.

Supporting Objective/Action

ITO 1-1 Incorporate IT in Insurance Business Strategic Planning

Accomplishments: 100% complete. Business strategic planning (on a 1-2 year horizon) is completed annually. All of IT leadership is included in the process.

Status: Complete

Supporting Objective/Action

ITO 1-2 Insurance Service Quality Improvement

Accomplishments: 100% completion of several strategic projects.

1. *Insurance Intelligence reporting system*
2. *Claim processing system upgrade*
3. *Claim and policy document revisions*
4. *New building telecom system*
5. *New building data center*

Status: Specific projects are complete. The overall objective is ongoing based on approved projects.

Goal Number 2: (taken from 2008 plan and 2009 update)

ITG 2   IT Employee Insurance Business and Technical Development

Description: Develop and maintain a skilled and appropriately staffed IT workforce.

Benefits: Appropriate business and technical skills, cross-training, improved retention and decreased recruitment challenges. Improved ability and agility in meeting business needs using MSF's variety of active technologies due to the insurance business arena. Benefits MSF stakeholders, MSF Operations Team employees, and MSF IT employees.

Does this goal support the State IT Strategic Plan? Yes. Develops IT resources in an organized, deliberate and cost-effective manner.

Supporting Objective/Action

ITO 2-1   Develop Appropriate Training Programs/Classes

Accomplishments: 100% completion of various technical and insurance business learning events.

FY08-FY10 training opportunities summary (training base: 52 employees)

1. Software development tools/programming courses: 139 people in 16 different courses
2. System Administration/Security: 36 people in 8 different courses
3. Business Analysis/Quality Control: 16 people in 4 different courses
4. Project Management: 19 people in 6 different courses
5. Insurance Business Certification: 57 people in 5 different courses
6. Internal knowledge transfer of technical and insurance business rules: ongoing

Status: Specific events are complete. The overall objective is ongoing.

Supporting Objective/Action

ITO 2-2   Recruitment and Retention

Accomplishments: 100% completion of improved recruiting focus to fill IT openings. Took an average of 41 working days to fill open IT positions for the last three years. Internal training and knowledge transfer continues to encourage internal career development and growth.

Status: Complete. MSF will continue to focus on workforce engagement and retention at the corporate level.

SECTION 2: IT INITIATIVES STATUS UPDATE

2.1 IT Initiatives *(Taken from 2008 plan and 2009 update)*

Title: Insurance Intelligence

Description: Insurance reporting tool to deliver meaningful and timely business information

EPP Number (if applicable): NA

 Status: Complete

Funding: Budget approved by MSF Board of Directors

Title: Claim Center Upgrade

Description: Upgrade existing claim processing system to vendor release 5.0

EPP Number (if applicable): NA

Status: Complete

Funding: Budget approved by MSF Board of Directors

Title: Financial Statements System

Description: System to provide complete, accurate, compliant and timely financial statements for Montana State Fund and the Old Fund

EPP Number (if applicable): NA

Status: Complete

Funding: Budget approved by MSF Board of Directors

Title: Montana Board of Investments Building Data/Telecom Migration

Description: Hardware purchased, configured and installed in leased space

EPP Number (if applicable): NA

Status: Complete

Funding: Budget approved by MSF Board of Directors

Initiative 1 - Title: Personal Information Protection

Description: As a result of HB155 MSF will fulfill the requirement to protect certain personal information; develop procedures to protect social security numbers; and provide a notification procedure regarding a suspected breach of compromising personal information

EPP Number (if applicable): N/A

Status: Started

Funding: Budget approved by MSF Board of Directors

Title: Policy Handling System

Description: Replace existing policy application

EPP Number (if applicable): NA

Status: Potential future project - not yet included in strategic business plan

Funding: N/A

Title: Employee Management and Satisfaction

Description: Efficient interface with SABHRS and locally manage additional employee information

EPP Number (if applicable): NA

Status: Potential future project - not yet included in strategic business plan

Funding: N/A

Title: Insurance Policy Pricing Tools

Description: Application to price insurance policies

EPP Number (if applicable): NA

Status: Potential future project - not yet included in strategic business plan

Funding: N/A

Title: Insurance Agency System Interface

Description: Efficient interface with MSF insurance agency partners' management systems

EPP Number (if applicable): NA

Status: Potential future project - not yet included in strategic business plan

Funding: N/A